

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA	:	CONSENT PRELIMINARY
	:	ORDER OF FORFEITURE
- v. -	:	AS TO SPECIFIC PROPERTY/
	:	<u>MONEY JUDGMENT</u>
SOHRAB SHARMA,	:	
a/k/a "Sam Sharma,"	:	S3 18 Cr. 340 (LGS)
Defendant.	:	
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WHEREAS, on or about July 17, 2020, defendant SOHRAB SHARMA, a/k/a "Sam Sharma" (the "Defendant"), was charged in a three-count superseding criminal Information, S3 18 Cr. 340 (LGS) (the "Information"), with conspiracy to commit securities fraud, in violation of Title 18, United States Code, Section 371 (Count One), conspiracy to commit wire fraud, in violation of Title 18, United States Code, Section 371 (Count Two), and conspiracy to commit mail fraud, in violation of Title 18, United States Code, Section 371 (Count Three), all arising from a scheme to defraud investors in a company called Centra Tech, Inc. ("Centra Tech");

WHEREAS, the Information included forfeiture allegations as to Counts One through Three of the Information seeking forfeiture to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, of all property, real and personal, that constitutes or is derived, directly or indirectly, from proceeds traceable to the commission of the offenses charged in Counts One through Three of the Information, including but not limited to (a) a sum of money in United States currency representing the amount of proceeds traceable to the commission of those offenses that the Defendant personally obtained, and (b) all right, title and interest of the Defendant in 100,000

Ether units that the Federal Bureau of Investigation (the “FBI”) seized in 2018 from the Defendant’s digital Ether wallet with the public wallet address of “0xdA6F983076725cB2899205A16E16dled60a0067A” pursuant to judicially authorized seizure warrants (the “Seized Ether Units”);

WHEREAS, on or about July 17, 2020, the Defendant pleaded guilty to Counts One through Three of the Information pursuant to a plea agreement with the Government wherein the Defendant admitted the forfeiture allegations with respect to Counts One through Three of the Information and agreed to forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code Section 2461, any and all property, real or personal, that constitutes or is derived from proceeds traceable to the commission of the offenses of conviction set forth in Counts One through Three, including but not limited to (a) a sum of money in United States currency representing the amount of proceeds traceable to the commission of those offenses that the Defendant personally obtained, and (b) all right, title and interest of the Defendant in the Seized Ether Units;

WHEREAS, the Government and the Defendant agree that during the Defendant’s commission of the offenses of conviction set forth in Counts One through Three of the Information, the Defendant personally obtained digital assets (consisting of the Seized Ether Units plus additional cryptocurrency funds) from Centra Tech fraud victims representing proceeds of those offenses that were collectively worth approximately \$36,088,960 in United States currency when the Defendant personally obtained those assets;

WHEREAS, the Seized Ether Units were worth approximately \$29,000,000 in United States currency when the Defendant personally obtained those funds during his

commission of the offenses of conviction set forth in Counts One through Three of the Information, and the United States is currently in possession of \$33,422,373.45 in United States currency representing the net proceeds from the United States' sale of the Seized Ether Units pursuant to this Court's Order of September 24, 2020 (the "Ether Sale Proceeds") of which approximately \$4,422,373.45 represents proceeds from appreciation in the market price of the Seized Ether Units since the Defendant personally obtained them during his commission of those offenses (the "Appreciation Proceeds");

WHEREAS, the Defendant consents to the entry of a money judgment in the amount of \$36,088,960 in United States currency, representing, pursuant to Title 18, United States Code, Section 981(a)(1)(C), the total amount of proceeds traceable to the offenses of conviction set forth in Counts One through Three of the Information that the Defendant personally obtained;

WHEREAS, the Defendant further consents to the forfeiture of all of his right, title, and interest in the Ether Sale Proceeds, which constitute or are derived from proceeds traceable to the commission of the offenses of conviction set forth in Counts One through Three of the Information that the Defendant personally obtained;

WHEREAS, the Defendant admits that, as a result of acts and/or omissions of the Defendant, with the exception of the Ether Sale Proceeds, the proceeds traceable to the offenses of conviction set forth in Counts One through Three of the Information cannot be located upon the exercise of due diligence; and

WHEREAS, pursuant to Title 21, United States Code, Section 853(g), and Rules 32.2(b)(3), and 32.2(b)(6) of the Federal Rules of Criminal Procedure, the Government is now

entitled, pending any assertion of third-party claims, to reduce the Ether Sale Proceeds to its possession and to notify any and all persons who reasonably appear to be a potential claimant of their interest herein;

IT IS HEREBY STIPULATED AND AGREED, by and between the United States of America, by Ilan T. Graff, the Attorney for the United States Acting under authority conferred by 28 U.S.C. § 515, and his of counsel, Assistant United States Attorneys Samson Enzer, Negar Tekeei and Daniel Loss, and by the Defendant and his attorneys, Gennaro Cariglio Jr., Esq., Denis P. Kelleher, Esq., and Grand P. Fondo, Esq., that:

1. As a result of the Defendant's commission of the offenses of conviction set forth in Counts One through Three of the Information, to which the Defendant has pleaded guilty, a money judgment in the amount of \$36,088,960 (the "Money Judgment") in United States currency, representing the amount of proceeds traceable to those offenses that the Defendant personally obtained, shall be entered against the Defendant.

2. As a result of the Defendant's commission of the offenses of conviction set forth in Counts One through Three of the Information, to which the Defendant has pleaded guilty, all of the Defendant's right, title and interest in the Ether Sale Proceeds is hereby forfeited to the United States for disposition in accordance with the law, subject to the provisions of Title 21, United States Code, Section 853.

3. Pursuant to Rule 32.2(b)(4) of the Federal Rules of Criminal Procedure, this Consent Preliminary Order of Forfeiture as to Specific Property/Money Judgment is final as to the Defendant and shall be deemed part of the sentence of the Defendant, and shall be included in the judgment of conviction therewith.

4. All payments on the outstanding Money Judgment shall be made by postal money order, bank or certified check, made payable to the United States Marshals Service, and delivered by mail to the United States Attorney's Office, Southern District of New York, ATTN: Money Laundering and Transnational Criminal Enterprises Unit, One Saint Andrew's Plaza, New York, New York 10007 and shall indicate the Defendant's name and case number.

5. The United States Marshals Service is authorized to deposit the payments on the Money Judgment in the United States Department of Justice's Assets Forfeiture Fund, and the United States shall have clear title to such forfeited property.

6. Pursuant to Title 21, United States Code, Section 853(n)(1), Rule 32.2(b)(6) of the Federal Rules of Criminal Procedure, and Rules G(4)(a)(iv)(C) and G(5)(a)(ii) of the Supplemental Rules for Certain Admiralty and Maritime Claims and Asset Forfeiture Actions, the United States is permitted to publish forfeiture notices on the government internet site, www.forfeiture.gov. This site incorporates the forfeiture notices that have been traditionally published in newspapers. The United States forthwith shall publish the internet ad for at least thirty (30) consecutive days. Any person, other than the Defendant, claiming interest in the Ether Sale Proceeds must file a petition within sixty (60) days from the first day of publication of the notice on this official government internet web site, or no later than thirty-five (35) days from the mailing of actual notice, whichever is earlier.

7. The published notice of forfeiture shall state that the petition (i) shall be for a hearing to adjudicate the validity of the petitioner's alleged interest in the Ether Sale Proceeds, (ii) shall be signed by the petitioner under penalty of perjury, and (iii) shall set forth the nature and extent of the petitioner's alleged right, title or interest in the Ether Sale Proceeds, the time

and circumstances of the petitioner's acquisition of the alleged right, title and interest in the Ether Sale Proceeds, any additional facts supporting the petitioner's claim, and the relief sought, pursuant to Title 21, United States Code, Section 853(n).

8. Pursuant to 32.2(b)(6)(A) of the Federal Rules of Criminal Procedure, the Government shall send notice to any person who reasonably appears to be a potential claimant with standing to contest the forfeiture in the ancillary proceeding.

9. Upon adjudication of all third-party interests, this Court will enter a Final Order of Forfeiture with respect to the Ether Sale Proceeds pursuant to Title 21, United States Code, Section 853(n), in which all interests will be addressed.

10. Pursuant to Title 21, United States Code, Section 853(p), the United States is authorized to seek forfeiture of substitute assets of the Defendant up to the uncollected amount of the Money Judgment.

11. Upon the Court's entry of a Final Order of Forfeiture as to the Ether Sale Proceeds, \$29,000,000 (representing the total Ether Sale Proceeds of \$33,422,373.45 minus the Appreciation Proceeds of \$4,422,373.45) shall be applied in partial satisfaction of the Money Judgment, leaving \$7,088,960 outstanding under the Money Judgment. The Appreciation Proceeds of \$4,422,373.45 shall not be credited to the Money Judgment.

12. Pursuant to Rule 32.2(b)(3) of the Federal Rules of Criminal Procedure, the United States Attorney's Office is authorized to conduct any discovery needed to identify, locate or dispose of forfeitable property, including depositions, interrogatories, requests for production of documents and the issuance of subpoenas.

13. The Court shall retain jurisdiction to enforce this Consent Preliminary Order of Forfeiture as to Specific Property/Money Judgment, and to amend it as necessary, pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure.

14. The Clerk of the Court shall forward three certified copies of this Consent Preliminary Order of Forfeiture as to Specific Property/Money Judgment to Assistant United States Attorney Alexander J. Wilson, Co-Chief of the Money Laundering and Transnational Criminal Enterprises Unit, United States Attorney's Office, One St. Andrew's Plaza, New York, New York 10007.

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15. The signature page of this Consent Preliminary Order of Forfeiture as to Specific Property/Money Judgment may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.

AGREED AND CONSENTED TO:

ILAN T. GRAFF
Attorney United States Attorney for the United States
Acting Under 28 U.S.C. § 515

By: Samson Enzer 11/10/2020
Samson Enzer / Negar Tekeei / Daniel Loss DATE
Assistant United States Attorneys

SOHRAB SHARMA
Defendant

By: [Signature] 11/9/20
SOHRAB SHARMA DATE

By: [Signature] 11/9/20
Gennaro Cariglio, Jr. / Denis P. Kelleher / Grand P. Fondo DATE
Attorneys for Sohrab Sharma

SO ORDERED:

[Signature]
LORNA G. SCHOFIELD
UNITED STATES DISTRICT JUDGE

DATE
New York, New York
November 11, 2020